

**SPECIAL MEETING  
BOARD OF MAYOR AND ALDERMEN  
(Called by the Mayor)**

**December 19, 2005**

**Immediately Following Road Hearing**

Mayor Baines called the meeting to order.

The Clerk called the roll.

Present: Aldermen Roy, Gatsas, Guinta, Sysyn, Osborne, Pinard, O’Neil, Lopez, Shea, DeVries, Garrity, Smith, and Forest

Absent: Alderman Thibault

Mayor Baines called the Manchester South Sabres National Cheerleading Champions forward and asked them to lead the Pledge of Allegiance.

Mayor Baines stated I think it would be very appropriate at this special time of the year to keep in our thoughts and prayers our troops that are serving America all over the world, especially in Iraq and Afghanistan. This is a very lonely time for a lot of people. If we can keep the brave men and women serving our country in our thoughts and prayers and also their family members who sacrifice so much for all of us and I also think it would be appropriate to think about everybody who serves our great community in so many different capacities, especially those who put their lives on the line for us – our police officers, our firefighters and our first responders who are so critical to our public safety and the safety of all in this room tonight. Let’s pause for a moment of silent prayer and also reflect upon all of the things that you are thankful for at this time of year as well.

Mayor Baines stated we have a recognition of a very outstanding group of young women here this evening who are here to celebrate along with us the National Cheerleading Championship, which they have brought home to our great City and before we do that we want to give you a big round of applause.

Natalie Dionne stated I am the Assistant Coach and Trainer of the Manchester South Sabres. We went to states and came in third and then we went to regionals and came in second and when we got to Arizona we came in first place and here we are. We have been through a lot. When we were trying to go to nationals there was a problem with money but we came through it and did a bunch of fundraising and actually got to nationals. It is the first time the Sabres have ever been there and we came back National Champions.

Mayor Baines had the cheerleaders introduce themselves. He stated we are very proud of you and thank you for doing such a great job in representing our City so well and for

bringing home the biggest trophy in the history of mankind to celebrate this wonderful national championship. Congratulations.

Deputy City Clerk Johnson stated I would request that you recognize the Chairman of the Board, Alderman Shea, to make a motion.

Alderman Shea stated I would like to move that we allow the School Board to make a presentation and I would like a second and a unanimous vote on that.

Alderman Lopez duly seconded the motion. Mayor Baines called for a vote. There being none opposed, the motion carried.

School Committee Member Leslee Stewart stated your Honor you are welcome to stay where you are but you might want to go and sit with your wife because everything is going to be facing this way. A week ago this evening, we held our last School Board meeting of this year and also of the term and unfortunately the Mayor was not able to join us at that time so we brought the presentation to the Mayor this evening. I am going to start with a quick quote by John Quincy Adams, "If your actions inspire others to dream more, learn more, do more and become more you are a leader." Your Honor, it has been a pleasure for all of us on the School Board to serve with you this past term. You certainly have led us in a wonderful direction for the students of the City of Manchester. At this time I would like to ask Dr. Michael Ludwell to come forward.

Dr. Michael Ludwell, School Superintendent, stated on behalf of the entire Manchester School District, I am pleased to be here tonight to express my gratitude to the Mayor for his devotion to the Manchester School District. For 26 years, first as principal of Manchester High School West and for the last six years as Chairman of the Board of School Committee, the Mayor has pursued a course of educational excellence and taking countless teachers, students, administrators, and Board members along with him. It has been my honor to serve beside him as Superintendent for the last four years. On occasions like this, speakers can be forgiven if they sound like they are reading from an annual report. It is natural to recite the numbers of years the honoree has served in his job, the number of innovations achieved during his time in office or the amount of money dedicated to this project or that. To be sure, the School District has prospered and grown under the Mayor's leadership in ways that are easy to calculate. The \$105 million renovation project is but one benchmark against which to measure his impact. The physical improvements to existing structures and the new additions will serve as lasting legacies to an individual who has always taken the charge to put kids first as a personal mission. Numbers are capable of capturing additional achievements. The District retired a significant deficit under his direction, addressed efficiencies in textbook purchasing and other materials and developed programming that meets the needs of an increasingly diverse school population, a special concern for the Mayor. Numbers are incapable, however, of capturing an unquantifiable compassion for

kids and confidence in their ability to succeed when provided the tools that make success possible and it is these qualities, the ones that cannot be added on a balance sheet or recorded in an annual report, that are Mayor Baines' true legacy and the real reason that we are gathered here tonight and the qualities that insure that he will be always be remembered as a true friend of Manchester's Youth. All who work in the schools thank him for the significant accomplishments he achieved over the past 26 years and wish him well in the future. Thank you, Mayor.

School Committee Member Stewart asked School Committee Members Tom Donovan and Chris Herbert forward to make a presentation to the Mayor.

School Committee Member Donovan stated it is really very unusual for a professional educator to serve as a Chief Executive of a governing body, whether it be a mayor or governor or even President. I did a little research and found out that it has been a long time in Manchester since we had an educator as Mayor – over 100 years. We came across the names of David Bunton and John Kelly in the 19<sup>th</sup> century. We are not sure whether they were just an occasional teacher or whether they were professional educators. If you look at the state level, you similarly have very few educators who have risen to leadership positions. Governor John Wyncant in the 1930's was one such person. He was a private school teacher for a few years but didn't have the depth of experience in education or the leadership as a school principal the way our Mayor has. If you go to the national level, you have to go back to President Woodrow Wilson who served at the college level as a professor and then as President of a university for equivalent experience prior to assuming his position. His experience as an educator beginning as a music teacher and then his many years as principal at West High gave him a stature on our School Board as Chairman that no other Mayor has and that is because he understood what education was all about whether it be a meeting where we were having a discussion about hiring a principal or some difficulty at a particular school, Mayor Baines always spoke with authority because he knew what it was like to run a school. He knew the challenges that our teachers face and that was immensely helpful and invaluable to all of us on the School Board. Boy, what a difference did that background and experience as an educator make to the school children of Manchester. You heard Dr. Ludwell just speak about the renovations to 22 of our schools and the additions to 5 of our schools. Now there are a lot of people whose hard work helped to make that happen but it was the Mayor's leadership, his persistence and yes his arm twisting that got that to be accomplished and it is largely on his behalf that we need to be grateful that that happened. And then at the level of the students we all know that Mayor Baines loved to go to our schools and read to the students and engage with him. He attended their musical performances, which he could critique well because he is a music educator and he was most welcoming and perhaps most proud of the role that we played in Manchester in welcoming all students and particularly Manchester's newest residents of whom he often spoke. Those would be our refugees and our other English language learners and the Mayor always insisted that we in the Manchester School District welcome them and make them feel that

they could become educated citizens of this, their new adopted City and country and for this Mayor those of us on the Board of School Committee are very grateful for your work and we give this clock as a token of our appreciation. Thank you.

School Committee Member Stewart stated the Governor helped us with this next presentation and I would like to ask School Committee Members Russ Ouellette and Dave Gelinas to step forward.

State of New Hampshire by his Excellency, John Lynch, Governor a Commendation for Mayor Bob Baines:

**COMMENDATION**

- Whereas,** Bob Baines has been dedicated to improving education of New Hampshire students as a teacher, principal, Mayor, member of the Board of Directors of the National Association of Secondary School Principals and member of the Board of Directors of Southern NH University, and
- Whereas,** Bob Baines was elected the 45<sup>th</sup> Mayor of Manchester in 1999 and was subsequently reelected in 2001 and 2003, and
- Whereas,** Bob Baines oversaw a \$105 million renovation of 21 Manchester schools and facilities highlighted by the renovation of historic Manchester High School Central, and
- Whereas,** Bob Baines attracted national attention to the City of Manchester as a prominent national businesses such as Comcast, and
- Whereas,** Bob Baines attracted national attention to the City of Manchester for prominent national businesses such as Comcast, Allegro Micro Systems, moved jobs to the City and Inc. Magazine ranked Manchester as the #1 City in the Northeast to do business; and
- Whereas,** Bob Baines led the revival of Manchester’s cultural scene with the development of favorable downtown business atmosphere, the renovation of Elm Street and the historic Millyard and the opening of the new minor league baseball stadium leading Men’s Health and Fitness Magazine to name Manchester one of the top U.S. cities to live in, and
- Whereas,** Bob Baines has served the people of New Hampshire for nearly 40 years as a teacher, principal and Mayor of New Hampshire’s largest City

**NOW, Therefore, I, John H. Lynch, Governor of the State of New Hampshire** do hereby commend Mayor Bob Baines for his service to his community and his commitment to the people of New Hampshire.

s/John H. Lynch, Governor

School Committee Member Stewart stated I would like to ask School Committee Members Kathleen Kelley, Carol Scott and Donna Soucy to come forward now.

School Committee Member Kelley stated to the Honorable Mayor Robert Baines as a token of appreciation for your service to the City and in particular your work in improving the quality of education in Manchester we are presenting you with something a bit more practical than my colleagues, although I am sure you will enjoy those gifts for many years to come. This is something you and your wife can use. With the help of a few Board members and a generous contribution from one of our favorite local restaurants, we are presenting you with a gift certificate to T.R. Brennans. We know that you and Maureen and your family

will enjoy it. It isn't as momentous as naming a school in your honor, but who knows, maybe sometime in the future. Thank you again for everything you have done. You are truly the education Mayor. We wish you and your family health and prosperity in the future. Thank you.

School Committee Member Stewart stated and finally a gift from the children, and presented the Memorial High School Chamber Choir who performed "Prayer of the Children".

Following the selection, Mayor Baines stated this was so meaningful to me and my family and thank everyone involved, Leslie, for organizing this great tribute. But I want the students to stay here because it made me reflect a little bit about my beginnings at Memorial High School. When I was a student at Memorial High School, and this is about the power of teaching and the power of children and about hearing the voices of children and I'm hoping this Board of Mayor and Aldermen listens to the voices of the children in our community, because for so many years people were not listening to their voices. They just were not listening to them, and I think now we've recognized how important they are and it's not just the beautiful buildings we've built, but the high quality of education that they are being provided. I say with conviction and determination the public schools of Manchester not only on the physical side but on the educational side have never, never been better than they are today, ever, in the history of the City of Manchester. There are no failing schools in Manchester. These children are getting the best education by the most highly dedicated professional educators that I have ever been associated with. Back when I was a student at Memorial High School a lot of people did not have confidence in me, and it was a music teacher, by the name of Arthur Mirabile, who a lot of us were influenced by, a whole generation of people that were influenced and Chris Martin is one of them, the director of fine arts in his district. I think she would say it and I know I said it and I said it to him before he died over ten years ago at this time of year I would not be where I am today or who I am today without his influence. Because he came to me as a senior in high school and I was headed off to the air force like my two brothers had done before me and he literally forced me to fill out a college application, and I ended up going to Keene State College, and I became a music teacher. That's how I started my great career but it would not have been possible without the influence of one individual. Now I probably would have gone into the Air Force and I hope I would have been successful in some other field, but that's the power of teaching the power of education, every child that comes into this school system deserves the support that we are now providing here in the city of Manchester. And I was so grateful to hear conversations about the immigrants and refugees because it's not just them it's about every student in the community but when you think of the young people that are coming to our community and it's been in my speeches and I'll continue to talk about it in search of the American dream, they walk through the doors of our public schools and what do they find? Loving, caring and supportive people. Course one of the first things we do is test them, but that's another subject for another day. And they are struggling to become assimilated into our culture, not just to learn our language which is a struggle for many of them, but to learn

our culture what it's all about and what it is like to be in a community free of the terror and the inhumanity to man that they have faced, not unlike generations before that came to our great city. So thank you for allowing me to celebrate my life in our community tonight, reflect upon on how I got here, thank the people who got me along the way. I'll close by saying this to you and my school board members will tell you about the interviews the last question I always ask people who interview, and I've done this for decades now, I say to people what are you most proud of in your life. And I've actually had people burst into tears when they are asked the question, some people will say oh I'm proud of my degree and the fact that I was on the Deans list for four years or the success of my career, but the people that I was looking to serve education and now serve in government, and I have had the opportunity to interview people as department heads, the people that you really want around you that answer that question this way, what are you most proud of in your life, my family. My children, and I can say my grandchild, but that's what you want for people who serve our community. I want to thank you for bringing my Alma Marta here to celebrate my last meeting here at City Hall. I thank you for what you represent to the community like these young ladies here you are an inspiration to those of us who have made a commitment to lead our community and I am very proud that Memorial High School now has the kind of facility that you deserve and you should have had many years ago, we celebrate what you've done it's an honor and privilege to have served as mayor of my home town in the city that I love with my whole heart and soul as much as I love all of you. Thank you and may God bless all of you.

Mayor Baines stated I have a few people to thank this evening. We have some people that are leaving our service to our community but I know will serve in a variety of ways.

Paul Porter presented Key to City.

Mayor Baines stated the first gentleman that I would like to honor tonight had a distinguished career here in the city of Manchester is a Chief Assessor, someone who understands what it is like to serve our community, and dedicate himself to the community. He has been a strong voice for his ward and the people of our community. He has been an advocate for progress in our city supporting budgets that support public education and the vital needs of our community let's say thank you tonight with a key to the City to Alderman Paul Porter.

Mary Sysyn presented Key to City

Mayor Baines stated the next key is to a lady that has earned the respect from everyone in this room and in this community. She is one of the hardest working aldermen that I think we have ever had, as she also serves on the Planning Board. She has been a fierce advocate for the people in her ward. She has served our community with distinction. She has been a great personal friend and she has been a great friend to my sister Shirley as well. Please join me in honoring Alderman Mary Sysyn.

#### William Shea Presented Key to City

Mayor Baines stated the next gentleman I'd like to honor has been a friend for many years because we were in a different life together at one time as educators. When he ran to become an alderman of the ward I can remember some criticism because of the fact that he was an educator going on the aldermanic board and I think that was a good thing. The past two years he served as chairman of the Board and I believe for one as I told him privately I think he has been an absolutely outstanding Chairman of this Board and I will never forget the eloquence of his talk a year ago when we were struck a blow from Concord when by a change in the educational formula Manchester lost millions of dollars that we ended up going to court on and lost. But we did it on the principal. He sat over there when aldermen were talking about cutting the budget to help reduce the taxes but also to cut services to the community. He talked about standing up for the children of our community, spending what was necessary to educate our children and to provide vital services to the community and going to the community and explaining what we were doing we were not going to run away from our responsibilities as the state did we were going to meet our responsibilities as leaders of this community. That's what leadership is all about. If it costs you votes that's okay too because you do what's right for the people of our city and this gentleman has done what is right for this city not just for the past two years but for all the years he has been on the Board of Mayor and Aldermen and his service as an educator and principal in the city, I present this with great affection to my friend, Alderman Bill Shea.

#### Randy Sherman presented Key to City

This next key was suppose to be presented on June 17, 2003 but this guy never picked it up for some reason. One of the great projects that we all worked on for the City was the school renovation project and I can tell you it's easy to take bows for great projects but the people behind the scenes working to pull all the pieces together, especially the financial structure, and this gentleman led in a way that's been very important to many projects in the City of Manchester and would like to present it at this time officially, even though we announced it a couple years ago, to Randy Sherman.

#### School Committeeman Tom Donovan presented Key to City

A gentleman who is leaving his service to the School Board and I can honestly say, and I served two terms on the School Board in the 1970's I've been following school boards and politics and education in this City, and there are very few people that can measure up to the kind of School Board member this gentleman was. Many of you remember when some of us took office in January of 2000 we inherited a several million dollar deficit because of really mismanagement of the school district. We struggled with that and many of us sat in the courthouse not too far from here for three or four hours and met we had to come up with a

way to eliminate that deficit, and when he took over as chairman of the Finance Committee he restored along with the leadership of Mike Ludwell fiscal integrity to the school district, knowing where the money was going, how it needed to be spent and to insure that we never had a deficit again. He's delivered surpluses by his oversight, diligence and his excellence to service in the city of Manchester, School Committeeman Tom Donovan.

Mayor Baines stated he did have keys for B.J. Perry and Michael Langton who were not able to be with us this evening and we will see that they get them.

Patrick Queenan presented Key to City

This next gentleman many of you may not have noticed much because he was behind the scenes but he interned in my office for two summers, did an extraordinary job, working on constituent services really learned the operation of the office and has been a great friend to all of us in the office and I introduce Patrick Queenan to come and get this award.

Mayor Baines stated that Tina Kelley could not be here this evening because she had a family emergency to tend to but I'll present her this key tomorrow morning in our office. She has really served the Mayor's office with distinction as the entire staff has done since I've been Mayor. When I hired people to come to work with me at City Hall I made a couple of things clear that we work for the people and we would always conduct ourselves in a manner that we were serving the people of our community and I also urged them and insisted that they work with the Board of Mayor and Aldermen and other people who served in public life with respect that they deserved and I believe all the aldermen will agree here that the Mayor's office staff going back to the days of Lorraine Blushiy, Wayne Robinson, and Dave Scannell and now Mike, Seth and Tina, have really lived up to the honor of serving in the office of Mayor and please join with me for a round of applause for Tina even though she couldn't be here.

Mike Colby presented Key to City

This next gentleman came in and really filled a vital role in working with the aldermen and developing relationships with the aldermen and assuring that we did our homework, we had people on board for different votes, and projects in the city and I know many of you have developed a close relationship with him he brought a lot of experience working in the State Senate for Senate President Blaisdell and as Vice-President of Manchester Chamber of Commerce and also the fact that he is a graduate of Keene State went well with me as well, but he has done a remarkable job in the service to the city of Manchester, has become a great friend of mine and our family, we certainly do love him and respect him for his great honor and service to the city of Manchester, Mike Colby.

Seth Wall presented Key to City

This next gentleman has been with me the longest in this capacity as my senior assistant, I think he has entire family here tonight, his mom and dad are here, his grandmother, wife and



other extended relatives, but he is become very close to our family and I can honestly say that he has served the office of Mayor well, but has been a great personal friend as well, as I said to Mayor-Elect Guinta when we met for two and one half hours last week, I said one of the things that you have to bring into office is people who really care about you. Not people who come into your office for political reasons or just to have a job, but people that are going to look out for you and what's in your best interest and welfare and I have had a great staff that has done that. All the people involved that I have mentioned so far, but this young man has a very special place in my heart and I want to honor him tonight, Seth Wall.

Mayor Baines announced that on December 29<sup>th</sup> at 7:00 PM he would deliver a farewell address to the community. We invite people to come. We will...my entire family will be involved. I know my wife will be saying a few words and my son Tim and my daughters Cristina and Catherine and we will be offering our appreciation to the community for the honor and privilege of serving as Mayor for the past six years. I think there are only five other Mayors who have had the opportunity of all of those Mayors that were mentioned earlier, to serve as long as I have. It has been a great honor and a privilege and I would be honored if people would come to the Chamber. We will have a reception following at the Sheehan, Phinney, Bass & Green law firm following the address. Also on Friday, our last full day in office, although I will be around as Mayor right up until the inauguration, there is going to be an open house here in the Mayor's Office from 10 AM until 3 PM. We would like to invite members of the community, especially children, to come down to City Hall and see their City Hall and we would like to show them around the Mayor's Office, take some pictures and we will have some refreshments. We are going to make it a day of celebration to show the community how much we have been honored by the privilege of serving as Mayor and my family will be here as well. We invite people down to City Hall between 10 AM and 3 PM on Friday, December 30 to say goodbye but also to come down and really enjoy this great building which means so much for the future of our City.

### **CONSENT AGENDA**

Mayor Baines advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

### **Accept BMA Minutes**

- A.** Minutes of meetings held on October 18, 2005 (two meetings) and November 15, 2005 (two meetings.)  
*(Note: available for viewing at the Office of the City Clerk and forwarded under separate cover to Mayor and Aldermen.)*

## **REFERRAL TO COMMITTEE**

### **COMMITTEE ON FINANCE**

**B. Resolution:**

“Amending the FY2006 Community Improvement Programs, transferring, authorizing and appropriating funds so as to decrease 612706 Displaced Employee Homeless Prevention to a total amount of Twenty Five Thousand Dollars (\$25,000).”

## **REPORTS OF COMMITTEES**

### **COMMITTEE ON COMMUNITY IMPROVEMENT**

- C.** Advising that it has approved the purchase of a police cruiser replacement vehicle from MER funds to be reimbursed with insurance funds when received.

### **HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN**

**O’NEIL, DULY SECONDED BY ALDERMAN SHEA, IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.**

Report of the Committee on Community Improvement:

- D.** Recommending that funding for the FY 2006 Displaced Employee Homeless Prevention project be reduced to a total of \$25,000 from Affordable Housing Trust Funds and for such purpose a resolution and budget authorization has been submitted.

Alderman Gatsas stated I am just looking for some understanding on what employees are going to be taken care of and if somebody from The Way Home is here to explain to us what process they are going to go through to take care of these employees because my understanding is The Way Home basically only deals with security deposit reimbursements. I don’t know if there is somebody here who could explain the process to us.

Mayor Baines stated somebody from The Way Home was at the Committee meeting but is not here now.

Alderman Lopez stated yes there was somebody here at the CIP Committee meeting representing the director and she provided documentation. Carol do you have any more copies of that to help answer Alderman Gatsas’ questions? From what I understand they have about 12 people that they are looking at right now to help and they have another 16 or 17 people that are scheduled for appointments. They have 12 displaced workers to assist. Basically the way the program works from what I understand in talking to them is they look at all of the income or potential income that is coming in and one individual might need 10%

and one individual might need 20% to help with rent subsidies along that line but they are well capable. One of the other things I wanted to mention was the original request was for \$45,000 and we ended up with \$25,000. Last week since the Aldermen and the state senator got the \$100,000 released through the Governor's Office we had a meeting with Dick Anagnost, the City Solicitor, the Planning Director and the City Clerk was also present in order to make this resolution. At that time we were told and continue to be told that we cannot use any of that \$100,000 whatsoever for rental subsidies. The only time that you can do that, which is verified by The Way Home, is for example vocational education if an individual lived in Manchester and had to go to Claremont for training there is a possibility that they could use some of those funds.

Alderman Gatsas asked is Alderman Lopez prepared to answer some questions that I have.

Mayor Baines answered I think Mr. MacKenzie may have some answers. Why don't you ask the questions and we will see who can respond.

Alderman Gatsas stated I guess my question is number one the taxpayers of this City subsidize the Welfare Department for these specific purposes. My recollection is that there is in excess of \$1 million in that department. This is the exact reason that we have a Welfare Department – to take care of these critical needs. Now is there a reason why we are stepping outside of what the protocol is to involve ourselves with funding that is directly...that should go through the Welfare Department that is properly taught and have the things in place that would have the guidelines for these employees to make sure that those employees are taken care of with whatever needs they have?

Alderman Lopez responded Paul Martineau was also at this meeting and the City Solicitor is here to verify all of that. I think we are in a unique situation in Manchester here in that we are fortunate to have The Way Home to subsidize and help people in distress. In comparison to Nashua where they go through the Welfare system...along the line that our Welfare system and the budget that they have and referring people to The Way Home they have a group of people over there who are well qualified in assisting these particular individuals and money coming from the trust fund. For example, I think you may recall that it is very possible that the Welfare Department in the City of Manchester could ask for a lot more money. They could ask for \$50,000 or \$100,000 as has been proven many times from the previous Welfare Commissioner coming to this Board of Mayor and Aldermen. I say that we are very fortunate to have The Way Home to help with this and I will ask Mr. MacKenzie if he can elaborate since he has worked with these people tremendously.

Robert MacKenzie, Planning Director, stated this particular program is what we consider, in essence, a buffer. The Welfare Department is the very last resort for people to go to when they have virtually nothing and frequently when they are out on the street. The Way Home is really designed as homelessness prevention. They have worked for years to help families

who have become suddenly desperate. They do provide funds directly to landlords to keep people in housing but more importantly they know how to work with the families. They help them organize their finances and they help them get through so they do not end up on the Welfare rolls. Our past history, including the Jac Pac lay-offs, shows that they have been very valuable in not only helping residents but ultimately preventing people from getting to the very bottom and having to go to the Welfare Department.

Alderman Gatsas stated my recollection is that this Board took the position a few years ago in helping our The Way Home with subsidies on security deposits, not subsidies on rent. What they do is they guarantee the security deposit to landlords. They don't pay rents to landlords. They subsidize security deposits so if that tenant leaves the landlord is guaranteed a security deposit should he default on his lease. I think that when we look at what we are doing with the Welfare Department I would feel a much higher comfort that this \$25,000 would be allocated to the Welfare Department so that the other proper needs that these people may have are assisted. I think that is the proper place to go. That is where we put taxpayer dollars for these same critical situations. I don't know why we are going outside from a different source of what we have available that understands what the needs of people are and what other needs they may fulfill. It doesn't make sense to me.

Mr. MacKenzie replied in terms of the security deposit, that is one of their programs. They do provide assistance for people to get into housing through the security deposit but they have for a number of years worked on areas such as people who have lead paint infected homes that might become homeless. They provide occasionally shelter but also connections to landlords to prevent it. They are more of an agency that prevents homelessness rather than just a security loan deposit.

Mayor Baines stated why don't we get a motion on the floor.

Alderman Lopez moved to accept, receive and adopt the report of the Committee on Community Improvement. Alderman Shea duly seconded the motion.

Alderman Gatsas asked if they only are going to help 12 displaced workers at \$750 are we going to get an accounting for the \$25,000 that if it is not used it is returned to the City.

Mr. MacKenzie answered yes. This account was set-up not as a direct grant to The Way Home but on a reimbursable basis. The money will actually be monitored by our department and if not all of the funds are used then it will be returned. So it is not a direct grant. They will have to show what they are doing in terms of assistance and then we will be reimbursing them when it is shown that they have acted in accordance with the Board's wishes.

Alderman Gatsas asked can we get a verification, your Honor, for the Welfare Department to report back to this Board if they have participated in any form of assistance to the CCT employees.

Mayor Baines answered I know they are but you can certainly get a more detailed report from them.

Alderman Gatsas asked if they are doing that, your Honor, then my understanding is that they participate in this program so why are we funding somebody else to do it. If they are already doing this work for these employees and subsidizing rents then why are we doing it again?

Alderman Lopez stated Mr. Arnold was at this meeting also. Mr. Martineau is not providing rent subsidies. He is allowing these people to be referred to The Way Home to process any assistance there. The Welfare Department is providing some food and other necessities like medicine and stuff for qualified individuals.

Alderman Gatsas asked am I hearing you correctly that he is referring them out when he has the ability to do this. Does he have the ability to do this?

Alderman Lopez answered he has the ability to do it provided that we give him the money to do it number one. This is not our mechanism in the City of Manchester. The mechanism that we used for Jac Pac that we are also using for this is to have The Way Home assist us and I think Mr. MacKenzie has indicated that.

Mayor Baines stated as Mayor I strongly support this and what I suggest is that you have Mr. Martineau come in at a subsequent meeting and have him report.

Mayor Baines called for a vote on the motion to accept, receive and adopt the report of the Committee on Community Improvement. The motion carried with Alderman Gatsas being duly recorded in opposition.

Report of the Committee on Lands and Buildings:

- E.**     Recommending that property known as the Center of NH Parking Garage, be found surplus to City needs.

The Committee further recommends that the Mayor be authorized to execute a purchase and sales agreement with JPA Corporation for the disposition of said property to contain the following conditions:

1. that the sale price shall be \$3,510,000;

2. that sale be executed subject to JPA or its assigns making available to the general public the 400 parking spaces presently controlled by the city in substantially the same mix (monthly and daily parkers) at no more than market rates until at least the end of the term of the hotel lease and purchase option date; and
3. that it be subject to the review and approval of the City Solicitor.

The Committee notes that it finds just cause to dispose of such property to JPA Corp. or its assigns as such corporation presently holds a lease agreement and a first option to purchase through at least February 2026, with another option for renewal for an additional 40 years and such property is part of the so-called Center of New Hampshire project.

The Committee further notes that the sale price of \$3,510,000 is found to be a reasonable market value based on information obtained through an outside appraisal as was recommended by the Board of Assessors; and the Tax Collector has reported no interest in the property.

The Planning Department submitted its recommendations as enclosed herein, which were reviewed and utilized partially as a basis for determining the property to be surplus to City needs. The buyer has indicated its agreement to continue public parking, the property will be placed fully on the tax rolls, revenues will exceed current obligations and the City will not be required to expend future funds on capital improvements to maintain the facility.

The Committee recommends that the City Solicitor be authorized to prepare documents as may be required to consummate disposition of the property and that the Mayor be authorized to execute any and all documents to dispose of said property subject to the conditions set forth herein.

Alderman Porter moved to accept, receive and adopt the report of the Committee on Community Improvement. Alderman O'Neil duly seconded the motion.

Alderman Gatsas stated I just wanted to move this item if we could because it would only make sense that we are going to have a parking study presentation and I think the appropriate measure would be to vote on this item after we hear a parking study presentation in case there are some questions that we want to ask subsequent to this referral. I would ask the indulgence of the Board to move this to after the presentation of the parking study.

Mayor Baines responded the body language I am getting from the Board is they want to vote.

Alderman Gatsas replied I am not looking to deny a vote, your Honor. I think it is only appropriate that we hear about the parking study that talks about selling this parking garage.

Alderman Roy stated we did hear from the Finance Director and we have had for quite awhile the draft of the parking study, which this is in agreement with. We have had Lands and Buildings meetings on this. I can't speak for the Chairman but there were quite a few discussions regarding this and Randy Sherman is here to discuss this if there are any questions but this comes with the full endorsement of the parking group that did the study.

Alderman Gatsas asked are they prepared to ask questions if I ask them.

Mayor Baines asked on this.

Alderman Gatsas answered yes.

Mayor Baines stated absolutely.

Alderman Gatsas stated I am looking at your report and I am on Page 84 of your study and I look at the study and say that the population in Hartford, CT being 124,000 I find it interesting that you use the population numbers and then total spaces but you never use, anywhere in this study, the number of office space square footage or retail space. I would think that that is a very appropriate number because if we want to believe that the square footage in Hartford, CT is comparable to the square footage of retail space or office space in the City of Manchester and that the City of Manchester has some 2,000 total spaces or 2,300 total spaces that are greater than Hartford, CT I need you to explain that to me.

Christopher Luz of Lansing Melbourne responded if I understand your question fully, the cities that were chosen that you find in the table were chosen as we went through the process with input from City staff. The intent was not necessarily to draw a correlation between the number of public spaces and square footage of retail or commercial because there is no nexus, it doesn't show a full picture. I apologize if I don't understand what you are asking.

Alderman Gatsas replied that to me would be a full picture when you consider the office space rather than population and number of spaces. I would think that there is a better correlation to say to me that Hartford, CT has 2 million square feet and Manchester has 500,000 square feet and here are the spaces so there is a correlation because that is where the subsidy and the correlation begin.

Mr. Luz responded I think where that gets complicated is that we really have to have access to essentially the detail that we have collected and analyzed in our report because it is not only office space and retail space it is what is the density, what is the percent occupant of the space, what is the employee number, the residential number...it goes well beyond just the number of spaces per square footage. So unless we had that specific information where we could draw that correlation...it is in the table because this is the information we were able to collect in one of the peer cities.

Alderman Gatsas asked but if I go through all of these peer cities and I use that same idea of how much office space versus spaces and parking spaces, the correlation in every one of

these communities, it shows me either a population that is less but I am sure that if you told me the office space density in those communities it would be greater than what we have here in Manchester. When you look at that correlation and I go through this study and I look at your presentation of facts, one of the facts you have is to sell the garage at the Center of NH. Now the question I would ask you as being an expert in your field is would you recommend to the City of Manchester that if it had the ability to build 400 spaces for \$1 million what would your recommendation be?

Mr. Luz answered build how many spaces.

Alderman Gatsas stated 400 spaces for \$1 million. What would your recommendation be?

Mr. Luz responded I wouldn't recommend building 400 spaces for \$1 million.

Alderman Gatsas stated if I had the ability to build 400 spaces for \$1 million what would you say to me.

Mr. Luz replied what I would say is I would ask a question. Are they in a location that services a demand? Does it service a public need and public good or does it service a specific private owner?

Alderman Gatsas responded I guess my answer to you and I am not the expert in the field but what I would say to you is that if you could build a parking garage with 400 spaces for \$1 million you are robbing somebody. That would be the comment that I would give you because I think if I went to any city and said to any city that you had as a peer group for 400 spaces I could build a parking garage for \$1 million is that a reasonable statement?

Mr. Luz answered are they going to be used. It is not a simple question or a simple answer in my mind. Maybe I complicate it because I am a parking expert. If I can build a 400 space garage for \$1 million it is obviously a steal. I understand that. Is it in the right location? Is it going to be used or is it going to sit there empty and who uses it? Who benefits from those spaces? Maybe someone else should pay that \$1 million for the 400 spaces.

Alderman Gatsas replied but if it was a cost of \$5,000/space versus \$16,000 which is what you are telling us in this report wouldn't it matter that if it was in a beneficial situation in the City that that is probably a good deal. At least the taxpayers of this City might think it is.

Mr. Luz responded or they might not if the space is not used. I am sorry that I keep going back to that but if you are building 400 spaces in an area that needs 400 spaces that is a great deal. If you are building them where they are not utilized or they are serving a specific private user, it may not be a good deal.



Alderman Gatsas asked my last question is could you build 400 spaces for \$1 million.

Mr. Luz answered not in structured parking.

Alderman Shea stated I would like to get the actual question answered your Honor. Randy, could you come up and give us your opinion on selling the garage or not selling it or whatever? I did call you today, Randy, regarding my concerns or the concerns that have been expressed to me and you made a presentation to the Lands and Buildings Committee and then your recommendation to them I believe was that we sell the parking garage. Would you list why we should sell it and list why we shouldn't sell it?

Randy Sherman, Deputy Finance Director, responded well the second part is easy. There is no list. Again, the garage was built to serve a specific purpose. The purpose was to get the development done down on that location. It is not different than what we did at both corners of Bridge and Elm. We have garages on both corners. The lease that you are operating under is just not to our benefit to have that lease. It is 20 years and they can extend it for another 40 after that. The rates that they are paying are well below market rates for the 600 spaces that they control and it just doesn't make sense for the City to take a loss on those 600 spaces continually when you have an opportunity in front of you to sell that and get out from under that lease. The financial impact prior to 2001 when Verizon opened the garage was constantly losing money. You had large debt service payments and it was losing money.

Alderman Shea asked could you elaborate on that debt service money.

Mr. Sherman answered yes. Back in 2000 I believe the debt service was like \$170,000 and now in 2005 it is only \$50,000, which when you look at the bottom line of \$148,000 positive cash flow it looks like it is a good number but as Alderman Gatsas was alluding to the consultants are saying that it needs at least \$1.1 million of renovations over there. You start adding that back into the equation and that eats up \$124,000 or \$148,000 pretty quick. Plus those costs do not include, as the consultants pointed out in the study, all of the City's costs. The Highway Department oversees the engineering. The Finance Department is overseeing the budgets and the banking side. Obviously there is administration over at the Traffic Department. We get the Solicitor involved. None of those costs are included or reflected when you are looking at that \$148,000. That number is actually a lot lower than is really reflected on those spreadsheets.

Alderman Shea stated I would like to add that we don't get any tax money from that.

Mr. Sherman responded that is the next thing I was going to say. By selling the garage it puts it back on the tax rolls so you get a double benefit where you now have cash in hand to use for either another capital project or some economic development project, which will save you from bonding that project and, therefore, save you interest and it puts it back on the tax

rolls. We estimate that by putting it back on the tax rolls it will approach if not exceed the current cash flow that is coming out of there and that is before the \$1.1 million. Once you add in the \$1.1 million the tax revenues will far exceed the annual cash flows.

Alderman Shea stated I wanted to add, too, that as someone who did not support the funding of the civic center and we talked about this today that the City has to pay back to the Verizon \$400,000 every year and the money that we pay them, not from the rooms and meals but it is made up of taxpayer's money. So when we are considering taxpayer's money we have to consider that we are paying taxpayer's money to fund that aspect of the civic center. I know the Mayor mentioned tonight that the Verizon will be paid off probably in a few years but regardless of how long it takes to pay it off we are spending money to pay that mortgage and we are paying money for the Highway Department, the Police Department and this tax so we are not getting a free lunch here.

Mr. Sherman responded when the management agreement was done over at Verizon the City insisted that the management company guarantee or protect the City against any operating losses. In doing that they said well that's great but we want to be able to run the parking system. At that point the City said no we will run the parking system but we will contribute toward the operation from the parking revenues. We put in place a formula where for the first 6,000 people at the turnstile they get \$.80 per person from the parking revenue. For 2005 that was \$462,000 at \$.80 per person. We brought in about \$330,000 in parking. Again, the idea is that yes the Center of NH does generate parking revenues. If you recall the Board opted to split those revenues with JPA a couple of years ago 50/50. By doing that, what is happening is the \$460,000 that is being paid from all of the parking revenues available, which would be that \$330,000 but the balance of it is coming from property taxes.

Alderman DeVries asked the 400 parking spaces currently available, we have a written commitment to keep those 400 spaces available through the end of the lease.

Mr. Sherman answered correct.

Alderman DeVries asked that will be until what year.

Mr. Sherman answered 2026.

Alderman DeVries stated so next year or this coming budget year for us we either sink another \$1.1 million into this...

Mr. Sherman interjected not the next budget cycle but the next month. It is that bad over there at this point.

Alderman DeVries asked so we either sink another \$1 million into the investment and economic development or we sell the garage maintaining the same spaces that are already available until the year 2026 and gain \$3.5 million.

Mr. Sherman answered correct we would gain \$3.5 million and the operating deficit...

Alderman DeVries interjected so that would be \$120,000/year added on to the tax roll.

Mr. Sherman responded correct.

Alderman Porter stated when that project originally came on line, the only way that that development, the hotel and the office tower was going to be would be with the garage. If there were no garage there would be no tower or hotel. That probably is generating somewhere between \$350,000 to \$400,000 a year in taxes between the hotel and the office tower. I think the parking garage to that use is really just an adjunct. You needed it in order to have that succeed. I think that at the time the deal was struck that was the best at the time. I think the market has changed and circumstances have changed to make that somewhat obsolete and I do agree with the parking study in that it is a very cumbersome lease. I would like to move the question to sell the garage.

Alderman Gatsas stated Randy I noticed that the Alderman talked about those spaces being available, those spaces being available at market rate. Are those spaces now being rented at market rate?

Mr. Sherman responded no you are subsidizing them.

Alderman Gatsas replied so we have the ability to increase and go to market rate, which would add additional revenue.

Mr. Sherman responded you do.

Alderman Gatsas stated so with all honesty when you are talking market rate and the lease of the spaces that are available, we could generate more revenue if we went to a market rate but we are subsidizing and that is the choice of this Board so we could get additional revenue.

Mr. Sherman replied I am not so sure about that because as you know you increase the rates then people will find someplace else to park.

Alderman Gatsas stated well we heard that on the Canal garage. We were subsidizing those and they went to market rate. Let's continue. Tell me what the civic center pays the City on a yearly basis.

Mr. Sherman asked in a dollar amount or in a formula drive...it is a different amount every year.

Alderman Gatsas answered roughly. Average it out over the last three years.

Mr. Sherman stated they are required to fund a capital reserve account and then if there are dollars left at the end of the day there is a sharing arrangement where monies would come back to the City.

Alderman Gatsas asked how much is that.

Mr. Sherman answered in the last couple of years it has probably averaged maybe \$40,000. They also have funded the capital reserve account along the way.

Alderman Gatsas stated so tell Alderman Shea how much that amount is.

Mr. Sherman replied this year the contribution to the capital reserve is about \$260,000 and in total we probably have about \$800,000.

Alderman Gatsas stated we pay \$405,000 to the civic center of which you said to me \$330,000 comes from the parking revenue of those same events. \$165,000 of that comes from the parking garage. So there is only another \$165,000 that comes from other venues.

Mr. Sherman responded yes.

Alderman Gatsas stated so as soon as we take that \$3.5 million and put it into a special account, which will not generate revenue to the general fund, the general fund immediately is going to have to come up with an additional \$165,000 to fund the civic center contribution and also I have not seen any document that guarantees 125 spaces at the garage that are guaranteed for the seat holders that are at the civic center. I have not seen that document.

Mr. Sherman stated the revenue will be offset by the property taxes that will be generated from the facility. That is a switch. Again, the \$148,000 that you are seeing doesn't include the \$1.1 million that needs to be spent and it doesn't count for all of the ancillary department cross charges because they are not cross charged properly.

Alderman Gatsas replied I can appreciate what you are saying but I go back to the same premise I had before that if we can build a garage of 400 spaces for \$1 million that is a steal.

Mr. Sherman responded I think the point that needs to be made though, Alderman, is that doesn't add to your inventory and what the parking consultants have come back and said is right now you are doing okay but you are ready to bust at the seams and there are certain

pockets in the downtown area that need parking and we need to add inventory. That is not one of the pockets.

Alderman Gatsas stated so looking at the parking study what I understand you to be saying because this parking study says that we should build 2,400 spaces at some \$40 million. That is what that is saying.

Alderman Guinta stated I just want to clarify a couple of things. First of all, the agreement with the Verizon, the \$.080/person times 6,000 we are still required to pay?

Mr. Sherman responded yes that goes for the full 15 years.

Alderman Guinta asked where does the revenue come from after the sale of this garage to pay for that.

Mr. Sherman answered it is going to come from the same place that it currently comes from. It will come from the other parking revenues on event nights...

Alderman Guinta interjected what other revenues are you referring to.

Mr. Sherman replied other parking revenues like meter revenues or parking at the Pine Street Lot or the Victory garage. Patrons at the Verizon park in other places besides the Center of NH.

Alderman Guinta asked can you tell me how much of the revenue that we pay the Verizon comes from the Center of NH garage.

Mr. Sherman answered about \$165,000 but once you pull out that...when you look at the \$148,000 positive cash flow that did not include a payment to Verizon so that \$165,000 is being eaten up by the expenses at the garage right now. Yes, \$148,000 is flowing to the bottom line. You can say it is that \$165,000 or you can say it is monthly leases but right now it is turning a \$148,000 positive cash flow. When you sell the garage you will now have \$3.5 million in the bank to do other things and you will get property taxes on the garage.

Alderman Guinta asked so you are saying that is going to be \$148,000 plus \$120,000 which is what it is going to bring in on taxes.

Mr. Sherman answered roughly \$120,000 in taxes.

Alderman Guinta stated so we are looking at \$268,000. The payment to the Verizon is what?

Mr. Sherman stated \$462,000.

Alderman Guinta asked so we are still short right.

Mr. Sherman answered yes. You are still subsidizing it out of the general fund at this point.

Alderman Guinta stated my question is if we are short \$194,000 where are we going to get the \$194,000.

Mr. Sherman replied well one of the things I was going to talk about when we introduced the parking consultants was the reason we started this was the Committee on Accounts was looking at the loss that we were taking over at Verizon and if you recall initially we had longer meter hours and we had meters on weekends. The bulk of their events are in the evening hours and on weekends.

Mayor Baines stated we lost \$235,000 when we got rid of the meters on Saturday as an example.

Alderman Guinta responded but that is throughout the entire City not just in that general area.

Mr. Sherman replied you are right. Again, when you signed the agreement with the Center of NH and gave them 50% of the revenues that was another \$160,000 that disappeared. If you go back to 2001 and 2002 we were in pretty good shape but now we are...we have made some policy decisions that haven't worked out very well.

Mayor Baines stated right and those were well chronicled and well debated.

Mayor Baines called for a vote. Alderman Gatsas requested a roll call vote.

Alderman O'Neil asked for clarification on the motion.

Mayor Baines stated the motion is to declare the garage surplus and sell it.

Deputy City Clerk Johnson stated the motion is to accept the report.

Aldermen Gatsas and Guinta voted nay. Aldermen Sysyn, Osborne, Porter, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Forest and Roy voted yea. The motion carried.

Mayor Baines stated I want to thank the Board and the staff for pushing this sale forward. This is a good decision for the citizens of Manchester and the taxpayers. It is also going to put in that fund that we established a few years ago and will give the City the ability to address hopefully some of the emerging needs of parking and it is returning to the tax rolls a

piece of property that should be on the tax rolls and gets us out of the business of parking, especially with this facility which will only be able to maximize its development and redevelopment potential with the owners controlling that parking garage. This is a great decision for the Board. I think the taxpayers will thank you and the future of that site will now have the ability to be enhanced because of this great decision that you made this evening.

Report of the Special Committee on Solid Waste:

- F.** Recommending that Corcoran Environmental Services be selected as the contractor for yard waste and recycling services for the City, and that the Board approve the contract as enclosed herein and incorporated by reference, subject to the review and approval of the City Solicitor.

The Committee further recommends that the Mayor be authorized to execute any and all documents necessary to consummate such agreement subject to review and approval of the City Solicitor.

Alderman Roy moved to accept, receive and adopt the report. Alderman Osborne duly seconded the motion.

Alderman Smith stated as you know my ward is over on the west side and yard waste and recycling are done on the same day, which is Friday. What happened in the last four years has been somewhat a disaster because if it is a snowstorm they are backed up a day but they are backed up all over the City. If a holiday falls on a Monday they are supposed to pick it up on Saturday but it was never picked up on Saturday but on Monday. I would like to have some assurances in this contract of customer service in the scope of services. The hours I can read but you have six weeks spring clean up. Now if they are up at the north end picking up yard waste it always ends up Monday or Tuesday in my ward and I want to emphasize that in my ward Route 101, 114, Route 3A, and 293 all about my ward so that means that...in all fairness I would like to have something in detail. It doesn't explain it fully. It says there may be a penalty. I want to have something about customer service. If it is going to be picked up the next day I want it to be picked up the next day.

Frank Thomas, Public Works Director, stated I give you all of those assurances right now. Corcoran Environmental has subcontracted with Pinard Waste. Pinard Waste will be doing the collection of both recycling and yard waste. I spoke to Pinard tonight. They officially have four holidays that they celebrate. If there is a holiday or if there is a snow day during the week and they are unable to finish their collection then they will be working that Friday. In your particular case where you have collection on a Friday if there is a holiday you can be assured that it will be collected on Saturday and not put off to the following week. If that is not done we do have a mechanism in the contract to fine Corcoran Environmental up to \$1,000/day. So they would feel it if they weren't able to perform.

Alderman Smith stated the main reason is if it is a holiday with your department the garbage is picked up on Saturday. The garbage is picked up and the yard waste stays there. That is the problem. Everybody calls up and they think it is the City's responsibility and it isn't. It is the contractor. In the last four years I must have called the firm at least 100 times and now I go through you and Joanne McLaughlin. This is not an isolated case. This has happened numerous times.

Mr. Thomas responded we agree with you 100%. One of the main issues that we tried to address in this particular contract that is in front of you tonight were mechanisms to be penalized for not meeting their obligations and as far as recycling goes we built in a mechanism where we can add additional men and equipment when we see that the volume of recyclables or the number of stops have increased. Again, we are here to assure you tonight that moving forward with this contract you will have your yard waste and recyclables collected if there is a holiday or some other type of delay on the Saturday.

Alderman Roy stated we have Frank on record on this whole contract. The Special Committee on Solid Waste took a lot of time working through not only this proposal but the long-term and short-term plan that we developed last year. I would like to commend Alderman Forest for starting that process and then the Chairman for allowing me to take it over last year. One of the things that we have lost...I will touch briefly on penalties but then I want to go to an education piece. The penalty of Waste Management if they did not pick up the garbage or recycling or yard waste was they had 30 days to rectify it. That means if they came two weeks later and picked it up on their normal schedule, no penalty and no fine. We built into this contract a \$100 penalty up to 10 incidents per day. So just last week in recycling a quick tour of the north end would have showed that Waste Management, had they had the same penalty, would have had a quick \$100,000 fine. That gets expensive when you are a private contractor. The thing I really want to touch upon is we are going to win as a City by increasing our recycling. The more solid waste offset we can achieve, the less we will have to pay ultimately in taxes. So the education component and I would like eventually Patrick and Bob and the staff to introduce themselves but the education component of when the pick-ups are going to be, when the yard waste is going to be and what to get out to the curb is going to be essential and that is built into the contract. Frank, if you can have the gentlemen introduce themselves.

Mayor Baines stated why don't we let Alderman Forest talk and then we can do that.

Alderman Forest stated to continue on Alderman Roy's thing for the past four years that I have been an Alderman I have listened to other Aldermen complain. I have complained and other Aldermen have complained about our yard waste and recycling not picked up on time. I believe from the work that was originally started by Alderman DeVries and then I became Chairman and now Alderman Roy we have all worked on the concerns of our constituents. I believe that Corcoran Environmental took the brunt of our complaints that are in this contract



and they have agreed to satisfy us and the City of Manchester. That is why we are asking that Corcoran get the contract and the other agency does not. The other agency has had four years to straighten out their problems and they have not. I think it is time for change. We have been talking about it every year for the past four years and I endorse this. Patrick and Ed and Bob are committed to the City and I think it will work and we should approve it.

Mr. Thomas stated that is not the only reason we are making a change. We are proposing to transition into weekly collection as of March 1 and within a two or three-year period we will be into single stream recycling again on a weekly basis. As Chairman Roy mentioned we hope by moving in this direction to greatly increase the participation and diversion of our solid waste into landfills and that is one of the main reasons we are moving forward with a different contractor.

Alderman Shea stated he stole my thunder because what I wanted to mention was that the recycling is going to be weekly and that is very important because many people put their materials out and say gee it is too bad they couldn't do it weekly because if they did more people might be apt to do it. That is a very positive thing and I do want to compliment Alderman Roy and Alderman Forest and Alderman DeVries who have worked on this along with your department because it is not an easy problem to try to resolve as it involves everyone in the community whether it is the business community or the residential community. So they have worked very hard and your department should be complimented Frank.

Alderman DeVries stated in discussions that we had earlier today we talked about the length of the term for the recycling agreement, which is initially 10 years with four 5-year options. You spoke to maybe increasing that to eight years so it would match the land lease.

Mr. Thomas responded that is what we would be proposing here tonight is to change the wording in the draft document so that we have the option to go...right now it is noted 10 years with four 5 year options. We would suggest changing that to 10 years with eight 5-year options. That would match up with the lease agreement. The lease agreement calls for a 30-year lease with two 10-year options.

Alderman DeVries stated I would agree with that because to have them both aligned and know that we wouldn't be potentially leasing the property out at the Dunbarton Road facility without Corcoran and their subcontractors involved with the City contract...I think to have them aligned is a good thing. Do you need that done in the form of a friendly amendment? How do we need to accomplish that to make sure that is part of the agreement we are voting on tonight.

Mr. Thomas responded it would be an amendment or an adjustment to the draft that is before you tonight.

Alderman DeVries asked do you have an amendment on the floor already.

Mayor Baines answered no there is a motion on the floor.

Alderman DeVries moved to amend the motion to include eight five-year options.

Alderman Roy stated the final lease is subject to review by the City Solicitor and we can either include it as a friendly amendment if that works for all parties...

Deputy City Clerk Johnson interjected it would be an amendment to the contract so we would suggest that there be a motion to amend the report to include that and then the Solicitor can work out the wording.

Alderman Roy duly seconded the amendment.

Mayor Baines called for a vote on the amendment. There being none opposed, the motion carried.

Alderman DeVries stated I have an additional question and this is for the Solicitor and I think they are prepared to address it. We spoke on Page 20, which is part of the arbitration outline that if there were any circumstance where we went through the arbitration proceedings and in judgement the City of Manchester is found to be liable for attorney's fees and expenses incurred for the arbitration and it is the last sentence of Article VI, which is part of the arbitration. It says "to any other relief to which we may be entitled". My question earlier today was would that in any way mean that the City of Manchester could be responsible for picking up what would have been proceeds or profits to the company from its work with the recycling of other towns and other municipalities and does the Solicitor in any way find that we could end up subsidizing the recycling of other towns through that loose language?

Thomas Arnold, Deputy Solicitor, stated first of all as the arbitration agreement provides except in the specific instance of going to court for appeal arbitration that each side bears its own attorneys fees and costs irregardless of the law. In terms of your question as to whether we would be subsidizing surrounding communities, I would note that this particular provision in the contract is merely a provision as to a remedy for any conflict or dispute that may arise under the contract. It does not expand or contract the City's responsibilities under the contract for damages or not damages, it is merely a remedy provision.

Alderman DeVries stated so let me draw that question a little further. Is there anything in this contract that would make you believe that should necessary action that the City of Manchester needs to make and correction of any kind of a problem say if it was littering at

the new facility or whatever and if we needed to somehow effect a remedy for the City of Manchester but yet that affected their proceeds from their relationship with other municipalities could we be found having to make up those lost revenues or proceeds to the company?

Deputy Solicitor Arnold responded I guess I wouldn't want to speculate. I guess I could imagine provisions where we might be and I can also more readily imagine situations where we would not be but if the City abides by the contract we are not going to incur damages in the first place. If the City were to breach the contract in some manner then you are going to be responsible for those damages irrespective of the arbitration provision or any other remedy that probably in a matter of general contract law you would be responsible for those damages. In other words this particular provision would not alter the City's responsibility in that regard.

Alderman DeVries stated I have one final question in that line. You are comfortable with the way the contract is written and do not feel that we need to limit damages to those proceeds that are derived from our municipal functions?

Deputy Solicitor Arnold responded that is a large question. I believe after reading the contract quickly today that yes the City is protected in that regard and I would think that it would only be under probably very unlikely circumstances that we would be responsible for the type of damages that you suggest.

Alderman Roy stated I have a brief question for Frank or Joanne. My understanding is this arbitration language may be the same language we have now.

Mr. Thomas responded yes it is the same language that we have now.

Alderman Roy asked so under the contract that we have with Waste Management this is similar.

Mr. Thomas answered yes.

Alderman Smith stated I hate to keep on this subject but Frank as you well know it is Christmas time and there are going to be Christmas trees and I believe we have the same agency that is going to be picking them up in January. I hope that you would stay on their toes for another month.

Mr. Thomas responded they are obligated to pick up the Christmas trees after the Christmas season. Typically if there are some missed the Highway Department will make arrangements to pick them up.

Mayor Baines called for a vote on the motion to accept, receive and adopt the report of the Special Committee on Solid Waste as amended. There being none opposed, the motion carried.

Mr. Thomas stated I would like to introduce Patrick Corcoran and Mr. Alguere.

Patrick Corcoran stated I am President of Corcoran Environmental Services. I would like to say thank you for all that the staff has done. I wouldn't be here if it weren't for people like Bob Alguere. Bob's firm, Pinard Waste Services, has been in town for a number of years and all of his staff is right here in town. We are very proud of the fact that the City has chosen us as a contractor to bring you folks into the future in solid waste management and recycling.

Bob Alguere stated I am the President and CEO of Pinard Waste Systems. We are extremely proud of the fact that we are now the largest independently owned solid waste carrier in the state. We got our start right here in Manchester in 1963. I am very confident of our ability to provide a service second to none.

Mayor Baines stated welcome to all of you and congratulations. We wish you all the best.

A report of the Committee on Community Improvement was presented recommending that City staff be authorized to negotiate a contract with Intergraph Public Safety for a new Police and Fire Computer Aided Dispatch and Records Management System at a cost of \$1.87 million understanding that there is a shortfall of \$380,000 in funding and that the Mayor be authorized to execute the contract subject to the review and approval of the City Solicitor.

Alderman O'Neil moved to accept, receive and adopt the report. Alderman DeVries duly seconded the motion.

Alderman Gatsas stated I noticed that we got a little bit of a handout here with I guess two pages of information. I see in here that there were 12 vendors that responded to the RFP.

Alderman O'Neil stated may I suggest that Diane Prew and Chief Kane and Deputy Chief Simmons come forward.

Alderman Gatsas stated there were 12 vendors that responded and 3 finalists that were selected. Can you tell me the other 9 bids that came forward and go slowly so that I can write them down please?

Diane Prew, Information Systems Director, stated there was a company by the name of KPI...and did you want the numbers.

Alderman Gatsas responded I think that is the important part.

Ms. Prew stated okay. Their bid was \$315,250. It was a partial bid. It was only a piece – the police records management system only. It wasn't a complete bid. Valor Systems was \$471,600. That again was only a partial bid. I believe that was just the CAD system. I am pretty sure that is what that was. There was Digital Systems, which was \$575,540. I really need to caution as I go through these numbers. Some of these numbers are raw numbers that have not been reviewed. In other words, the proposals were rejected because they were partial bids. There was one that didn't have a bid security so we didn't then go through the numbers because the responses are very complex and when you look at the raw numbers you may not be talking apples to apples. You have to go through an analysis.

Alderman Gatsas responded right but when you asked for a bid you have allowed people to bid on pieces. So if I went through and said...

Ms. Prew interjected no.

Alderman Gatsas asked so you wanted completed bids.

Ms. Prew answered yes we wanted a complete bid. We did not want it piecemeal.

Alderman Gatsas asked but people still came in and gave you piecemeal.

Ms. Prew answered yes.

Alderman Gatsas stated how about if you just give me the ones that bid on the entirety. Is it just those three people that bid the entirety or do you have others?

Ms. Prew responded there were a couple of others. There was Digital Solutions and that was \$615,840 but that particular bid had an enormous amount of modifications that would have to be made to meet the specifications. There was...

Alderman Gatsas interjected I know this is taking awhile your Honor but I did ask for this prior to this meeting so if you can just bear with me so I can get it.

Ms. Prew stated there was Information Management Corporation...well that really wasn't a complete bid either. Positron Public Safety. Their bid was \$1 million...

Mayor Baines called for a five-minute recess.

Mayor Baines called the meeting back to order.

Alderman Gatsas moved to table the rest of the agenda. Alderman Osborne duly seconded the motion.

Mayor Baines stated I think the concern is that we are not getting anywhere.

Alderman O'Neil stated on one of the items we have consultants in town.

Mayor Baines stated a motion to table doesn't have discussion. I am just going to call for a vote. Alderman Lopez requested a roll call vote. Aldermen Lopez, Shea, DeVries, Garrity, Smith, Forest, Roy, Gatsas, Guinta, Sysyn, Osborne, Porter and O'Neil voted nay. The motion failed.

Alderman Gatsas stated my question is we are looking at \$380,000 of an overrun. There are two bidders here that bid roughly the same amount of dollars. Did we negotiate with both bidders?

Ms. Prew responded yes we did.

Alderman Gatsas asked can you tell me the consequences of why we are paying \$380,000 more. Why are we paying it and why didn't we negotiate with the next bidder to see if we could get a reduced cost?

Ms. Prew answered the two bidders that were similar in price, one of them started at well over \$2 million. The other bidder had given us a \$600,000 reduction in price on their product along with their initial bid. We did go back to all three bidders and ask them for a best and final offer, which we did get.

Alderman Gatsas asked so the one at \$900,000, which is about 50% of the cost and well within the budget we didn't believe that we could operate that system or didn't feel comfortable enough with that system or didn't talk to enough of their clients to say that we could do it because my concerns are that my understanding or recollection from the interoperability from the state side is we the City have gotten in excess of somewhere around \$1.5 million in radios both in Fire and Police from the federal government when it comes to Homeland Security. Now I don't know whether these radios are compatible with this system and I don't know what they go to but I think that the \$1.5 million that has come from the federal government and maybe it could be in excess of that from Homeland Security funds. Is any of this related to anything that we are doing as a City?

Joseph Kane, Fire Chief, stated I am not exactly sure where you get the \$1.5 million investment for radios. I do know that the state is planning to put about 30 radios in firetrucks within the City of Manchester. Their value is about \$2,000/piece and that hasn't been accomplished yet. I also know that...

Gary Simmons, Deputy Police Chief, stated we actually have radios that we are testing in our cruisers now. They are VHS radios, which will be interoperable around the state. That money would come from state funding.

Alderman Gatsas asked was that about \$1.2 million from what I remember when Chief Driscoll was here.

Deputy Chief Simmons answered no. At this point we are talking about \$4,000/piece for the radios I believe. That is the only thing we are looking at that I know of relative to radios.

Fire Chief Kane stated and they are not installed yet. We are just testing them.

Alderman Guinta asked on the final three bids, Deputy Chief Simmons maybe you could talk about the different level of services that each one was providing and some of the concerns that were expressed by the different levels of service and why one was chosen over the other.

Deputy Police Chief Simmons stated when we looked at these three companies first of all we started with a committee of about 25 that we used, mostly users and people from different divisions that use the system everyday. We created a list of needs and wants and desires. Some of it was a wish list but most of it was what we definitely needed. When we chose these final three it was based on original demos when they came in and looked at it and they all provided what looked like a nice product. We then took the committee and when we identified the three they came back with two-day demonstrations. We had Police, Fire and Information Systems at these demonstrations and we had users from every division – from evidence to dispatchers to records personnel. All said and done when they looked at the three they looked at the vendor which obviously was considerably less, Mobiletech and they felt that although it appeared to be a nice looking system it was a basic system and didn't have a lot of the enhancements that we currently have now and it didn't look like based on the other two companies we looked at that it was a company that was going to take us into the future. We had concerns with that company one because it was small and had approximately 40 employees...their clientele currently are small agencies. I believe there are about 12 agencies that utilize them right now. They do have one large one that has been on-line for about a year. Their user base is small. One thing we rely on even with our current system is a user base. The other two companies – Intergraph and New World both have a large user base. Intergraph has approximately 275 clients. Most of their agencies are extremely large agencies. We looked at that and in discussion with various agencies out there we looked at that and said they don't have to recreate the wheel. It has been done. They have done through all kinds of issues and configurations and changes with these large agencies and now they are moving down to our tier so we felt that a lot of those things we would be looking for in the future were already done. They also every year guarantee an enhancement or an upgrade and they do that based on their user base. All of their users get

together and decide what they want in the future and each year that is added to an enhancement and it is done because it is such a large user base. There is power behind those numbers. We felt that based on everything we looked at and based on what our dispatchers and our records people saw and the way they identified issues and concerns that Intergraph was the system to go with.

Alderman Guinta stated at the last CIP meeting they were kind enough to allow my team to do a little additional research on this system so I had an opportunity to meet with Diane and Fire and Police to talk a little bit about whether this system could house the Comstat system that we are looking at. First I want to thank the Committee for that indulgence. We have done our due diligence. I am going to be going down to both New York and Baltimore with the Chiefs respectively to review their systems but the research we have done in working with New York City shows that the Intergraph system is a fully capable system to house the Comstat system that we are looking at. I am pleased to say that both the Chief and the Deputy Chief have talked about Comstat and have started doing research on Comstat and possibly how to best utilize that for the City of Manchester. Again, the Committee did provide me that indulgence and I certainly appreciate it and this proposal certainly has my full endorsement. One other point relative to the additional funds. There are a couple of options we would have with CIP being one of them. We are also looking at some other state and federal opportunities as well.

Alderman Garrity stated I have spent quite a bit of time with both Chiefs and Diane and when you look at that \$900,000 bid from what they told me that really doesn't compare to the other two bids. Is it New World that had the \$900,000?

Fire Chief Kane stated it was Mobiletech.

Alderman Garrity stated I guess they had a problem producing some software for you folks. You had them up a number of times. So when you look at those three numbers and you see a \$900,000 number compared to a \$1.7 million number it really doesn't compare apples to apples and oranges to oranges. Everybody has to understand that the \$900,000 bid wasn't adequate for either department. Is that right?

Fire Chief Kane responded that is correct.

Alderman Gatsas stated I guess Alderman Guinta is trying to tell me that their final bid was \$1.7 million, however you are asking for a total projected estimate cost of \$1.8 million and the other \$166,000 is for what, contingency.

Ms. Prew responded that is correct.



Alderman Gatsas replied I don't have a problem but I think we ought to amend this. We are a Board that has the funds and we can bring them forward. It doesn't make sense to put contingency dollars into a project when they can come back to get the money because I am watching contingency on other projects and it seems to disappear with people making decisions without having to come back to this full Board. It is really spending taxpayer dollars. If this is the bid then that is what it should be done for and if it is not done for that then you should come back to the Board and request the money. We shouldn't be giving you contingency dollars.

Alderman Gatsas moved to take the contingency money out of the contract. Alderman Guinta duly seconded the motion.

Alderman O'Neil stated 10% I don't believe is uncommon. It is very common in a large capital project. We do it on building projects all of the time. I think we are greatly handcuffing the staff here. I have full faith in the three departments involved that they are going to deliver this as close to that \$1.7 million number as they can but there are factors that are sometimes beyond their control so I am going to vote against removing the contingency money.

Alderman Porter stated I would like to echo Alderman O'Neil. Here we have three high level department positions making a recommendation. I think that 10% is certainly reasonable and I have enough faith in each of the three departments that none of them are going to go out and spend that money unless it is absolutely necessary so I, too, would support not taking the contingency out of there.

Alderman Shea stated I think at the CIP meeting earlier this evening it was discussed that obviously this is a project that would be extending over an 18 month period and as Bob MacKenzie indicated to the CIP members it doesn't necessarily mean that we are going to be spending \$1.8 million right away. This is an ongoing project and Mr. MacKenzie if you want to jump in here and explain to the Aldermen what you indicated to us at the CIP meeting that might be helpful.

Mr. MacKenzie stated it will take awhile to implement. They probably will not need all of the contingency initially. They do have to get the contract approved to move ahead. We will be looking at alternative sources of funding the additional required money and I think as they start to implement it they will know better about the need for contingency. So as a last resort we can fund it through the CIP bond process, which will probably occur sometime in April or May of this year.

Alderman Garrity stated the added 10% is for a lot of data entry from what I understand. Deputy Chief Simmons explained that a lot of confidential data has to be input into the new system. Also, isn't the added 10% for the required training for both departments?

Deputy Chief Simmons responded yes that is true and Diane may be able to touch a little bit on some of the technical aspects. This contingency wasn't based on paying a lot of overtime for data entry although when we convert over to our new system some things will convert in simple form and other things will probably become more complicated where it may require us to do data entry in which case we would try to use on duty personnel as much as we could but we would probably also have to pay some overtime for that purpose. In discussions somebody did bring up the idea of using temporary personnel or something along those lines but all of our information and all of our records management is confidential and certainly not something that is prone to having a temporary agency come in and do.

Alderman Garrity asked and it has to do with some training to.

Deputy Chief Simmons answered yes. One of the things that we looked at and that we learned with our old system but currently with the new system and everybody we spoke to said that training is paramount. For this system to work properly you have to make sure you train properly. We have some money built into the bid already for training but there will be additional training required probably as it goes forward.

Alderman Guinta asked does data entry have to be done by Police personnel.

Deputy Chief Simmons answered I would say yes because most of it is very confidential. Any time you are dealing with people's records...some of it is public information and some of it is not. You can't just pick and choose as you are looking through the system.

Alderman Lopez stated I think that the three department heads will keep everyone informed as to what the contingency money is being used for so we should move this thing.

Alderman Gatsas stated what I am hearing here is that contingency is contingency but it sounds like this contingency has already had some percentage of it spent already.

Deputy Chief Simmons responded no not at all. Personally I hope we don't have to spend a nickel of contingency. I understand that it has to be there for a project of this magnitude. There will be some technical things that come along...

Alderman Gatsas interjected if I had her repeat what everybody just said, you said you were hiring and it might be overtime and that you had some money in there for training.

Deputy Chief Simmons stated there is money in place for training. That is already in the bid price. That is in the original amount. We anticipate that there could always be additional training needs as we go along but we are hoping that is not the case. That includes data

entry. We are hoping that we don't have to do any data entry. It is manual and tedious and we hope that we don't have to do any of that. We are hoping the conversion does that.

Alderman Gatsas asked couldn't we put that money in the budget. We are 18 months away from it.

Mayor Baines stated we have a motion on the floor to cut the contingency money from the contract. Let's take a vote on that. The motion failed.

Mayor Baines stated now the main motion is on the floor to accept, receive and adopt the report of the Committee on Community Improvement. The motion carried with Alderman Gatsas being duly recorded in opposition.

Mayor Baines stated I want to commend the Board for pushing that forward and the compromises that were necessary to make that happen.

A report of the Committee on Community Improvement was presented respectfully recommending that a petition for the discontinuance of two unnamed streets submitted by PSNH be referred to a road hearing on Tuesday, January 17 at 5:30 PM in the Aldermanic Chambers.

Alderman Gatsas moved to postpone the road hearing until April.

Alderman DeVries moved to accept, receive and adopt the report of the Committee on Community Improvement. Alderman Forest duly seconded the motion. Mayor Baines called for a vote. The motion carried with Alderman Gatsas being duly recorded in opposition.

A report of the Committee on Community Improvement was presented respectfully recommending that various CIP projects be extended through June 30, 2006.

On motion of Alderman O'Neil, duly seconded by Alderman Shea it was voted to accept, receive and adopt the report.

On motion of Alderman Porter, duly seconded by Alderman Garrity it was voted to recess the meeting to allow the Committee on Finance to meet.

Mayor Baines called the meeting back to order.

### **OTHER BUSINESS**

A report of the Committee on Finance was presented respectfully recommending, after due and careful consideration, that a Resolution:

“Amending the FY2006 Community Improvement Programs, transferring, authorizing and appropriating funds so as to decrease 612706 Displaced Employee Homeless Prevention to a total amount of Twenty Five Thousand Dollars (\$25,000).”

ought to pass and be enrolled.

Alderman O'Neil moved to accept, receive and adopt the report. Alderman Forest duly seconded the motion.

Mayor Baines called for a vote. The motion carried with Alderman Gatsas being duly recorded in opposition.

Communication from Virginia Lamberton, Human Resources Director, on behalf of the Airport Director, requesting the establishment of three Airport Canine Handler positions Grade 16 and for such purpose an ordinance is submitted with the request to suspend the rules and place the ordinance on its final reading at this time.

Alderman Smith moved to suspend the rules and place the ordinance on its final reading. Alderman DeVries duly seconded the motion.

Alderman DeVries asked why does this not have time to go through Human Resources. Could Kevin Dillon answer that?

Kevin Dillon, Airport Director, stated as I explained it at the last Aldermanic meeting we are going to be going to the CSA Canine Program and we are expected to be in that program somewhere before the February/March timeframe. We don't have a specific timeframe but we want to be ready for it.

Alderman DeVries asked the job qualifications and the rest of it is following a format set-up by the Federal government I imagine as far as the interface with police and other security officers.

Mr. Dillon answered that is correct. We will be recruiting people who hopefully have prior canine experience. We will be looking at former military personnel as well as former law enforcement.

Mayor Baines called for a vote. There being none opposed, the motion carried.

Deputy City Clerk Johnson asked can we now get a motion to read by title only.

On motion of Alderman Roy, duly seconded by Alderman Garrity it was voted to read the Ordinance by title only, and it was so done.

“Amending Sections 33.024, 33.025 and 33.026 Canine Handler of the Code of Ordinances of the City of Manchester.”

On motion of Alderman Shea, duly seconded by Alderman Forest it was voted that the Ordinance be ordained.

Communication from Virginia Lamberton, Human Resources Director, on behalf of the Screening Committee, recommending that the Board of Aldermen appoint Mr. David Cornell to the position of Assessor.

Alderman Forest moved to nominate David Cornell to the position of Assessor.

Alderman Porter moved to close nominations. Alderman O'Neil duly seconded the motion.

Mayor Baines called for a vote to close nominations. There being none opposed, the motion carried.

On motion of Alderman Porter, duly seconded by Alderman Forest it was voted to suspend the rules and confirm the nomination of Mr. David Cornell to the position of Assessor.

David Cornell stated first of all thank you very much. This evening I have my wife Rhonda with me. Sitting next to her are my parents. I thank you for the opportunity to serve the City as a member of the Board of Assessors and promise to do my best.

Mayor Baines stated we know you will and we are very proud of you and I wish you all the best and a great career here with the City of Manchester. You have earned this position.

Alderman Porter stated I may wish to caution Mr. Cornell that this may be in the year of revaluation the last ovation you get for quite awhile.

Alderman Gatsas moved to appoint Steve Hamilton as the Chair of the Board of Assessors.

Alderman Lopez stated point of order. This is a special meeting and I think you need unanimous consent to bring something new in.

Alderman Gatsas moved to bring in an item of new business. Alderman DeVries duly seconded the motion.

Mayor Baines called for a vote. The motion failed.

Ordinance:

“Amending Chapter 70: Motor Vehicles and Traffic by deleting Sections 70.61-70.65 dealing with snow removal and amending Chapter 71: Snow Emergency Regulations of the Code of Ordinances of the City of Manchester.”

On motion of Alderman Forest, duly seconded by Alderman Garrity it was voted to read the Ordinance by title only, and it was so done.

This Ordinance having had its final reading by title only, on motion of Alderman Osborne, duly seconded by Alderman Smith it was Ordained.

Resolution:

“Amending the FY2006 Community Improvement Programs, transferring, authorizing and appropriating funds so as to decrease 612706 Displaced Employee Homeless Prevention to a total amount of Twenty Five Thousand Dollars (\$25,000).”

On motion of Alderman Roy, duly seconded by Alderman Osborne it was voted to read the Resolution by title only, and it was so done.

On motion of Alderman Forest, duly seconded by Alderman Sysyn it was voted that the Resolution pass and be Enrolled.

Discussion relative to the Draft Downtown Parking Study.

Alderman Shea moved to have the City establish a Committee to study the Downtown Parking Study and report to the Committee on Traffic/Public Safety next February and that the Committee consist of the following department heads: Traffic, Economic Development, Finance, Planning, Highway, Solicitor, representative from the Mayor’s Office and a representative from an Alderman on the Traffic Committee. I think if this presentation is made certainly we have people in the City who can obviously examine this information that is being presented and sift out those kinds of details that might be significant as well as those that might not be. These people who work in City government have an idea of what the needs of the City might be and I am assuming after this study is presented that they can disseminate the information for the good of the community.

Alderman Osborne duly seconded the motion.

Alderman Guinta asked the motion is to refer it to a Committee.

Alderman Shea answered yes.

Alderman Guinta stated I certainly appreciate the thought that went into it. I certainly would like to hear the presentation first and determine if that is the most appropriate entity to continue working on the proposal. I would also submit that we should look at some of the other entities in the City to see if MDC for example would be a more appropriate entity to take a look at this study. I would raise the concern and objection now with all due respect to the Chair of the Board. I would hope my colleagues would consider that.

Alderman Shea replied I am not quite sure what you are indicating.

Mayor Baines stated what he is requesting is that you listen to the presentation and then reintroduce your motion at that time at which time there may be a decision to expand the Committee or make referrals to other places.

Alderman Shea asked is that what you are asking Alderman Guinta.

Alderman Guinta answered yes.

Alderman Shea stated that is not a problem.

Mayor Baines stated let's proceed with the presentation.

Mr. Sherman stated I want to introduce...you have already met Chris Luz and Peter Floates, the other principal of the Lansing Melbourne Group. As I mentioned earlier, this really came about out of the Committee on Accounts. They started looking at the parking revenues and the parking expenses and wanted to try to find a solution to resolve the deficits that we continue to have as a result of the civic center parking. We went through an RFP process to select this group. They were selected not only on their qualifications but primarily an overwhelming issue was their philosophy on parking, which was that parking is an economic development tool, not necessarily a cash cow revenue producer tool. Just real briefly the way that this RFP was managed we truly wanted this to be their recommendations. These are not staff's recommendations although staff from Highway and Traffic and Planning and Finance all provide information. They talked to Police and I don't know if you talked to the folks at Parking but I know we got a dump of the parking violation file form. We provided all of the information to make sure that the data they had was as accurate as it could possibly be. These are their recommendations and based on that I am going to turn it over to Chris and Peter. I guess you want to make the presentation and then take questions at the end?

Mr. Luz stated yes we would like to do it that way so we can get through it.

Peter Floates stated I am a principal with the Lansing Melbourne Group. The study that we are going to present to you this evening is difficult at best to summarize in 10 minutes. It has taken us eight months so far to do this. We have come up with somewhere in the mid 30's of

recommendations plus another 20 very specific issues. In general the best way to summarize our work to date is that we feel very strongly that what the City needs to do is organize its system under a single manager so that there is a chain of responsibility to you as the Board for the performance of the system, whether that is how it performs to its customers, the general public or whether that is how it performs with the dollars the public has invested in it so far. I think Randy indicated that there was a series of processes we went through to get selected and I am not going to go over that one more time. I do want to make one clarification. Alderman you had made a comment before when Chris was being questioned and I want to make a clarification about one thing and that is the summary of our report is not that we have recommended \$40 million worth of improvements. In fact, we have recommended that one garage be built and we have done illustrations, financial illustrations in the back of our report that include the potential down the road should you need them, a second or a third garage that would total up to \$40 million in expenditures but those are not scenarios that we are saying you need at the present time nor do we have the vision to know whether you will or you won't. That has more to do with future economics than anything else.

Alderman Gatsas asked the proformer that you put together for that first garage, what was the rental per space so that I can finish my calculations.

Mr. Luz answered Table 23 on Page 74 shows a number of specifics including...we talked about \$1/hour rate and that starts in 2010. What we have done is taken a snapshot from 2006 all the way out to 2026 showing what the permit rates, hourly rates and fines would be.

Alderman Gatsas stated let me see if I can make my question a little clearer because it seems that I must ask ambiguous questions because I get back ambiguous answers. What is the rate that you would suggest in this proformer on a monthly fee?

Mr. Luz asked today or in 2026.

Alderman Gatsas answered today.

Mr. Luz responded the average rate for off-street parking is \$43.

Alderman Gatsas replied that is what you are recommending in a new parking garage.

Mr. Luz responded that is what it is today. In the year 2007 it moves up to \$62.

Alderman Gatsas asked in the new garage that you are proposing, what are you proposing for a rate in your proformer.



Mr. Luz answered we have kept the rates constant. That garage would open in 2008 and the monthly permit rate as shown here is \$62.

Mayor Baines stated what I am going to do now is let them do the complete presentation after which time we will entertain a few questions.

Mr. Floates stated this maybe gets into a level that addresses some of your concerns and questions Alderman Gatsas. One of the things that we really were challenged with and took a lot of that eight months was to get our arms around what the expenses and revenues are of the parking system. When I talk about the system, I am talking about what is a fragmented system today that has as many as 13 different committees, departments and divisions involved managing the system, collecting revenue and depositing it in the general fund as well as maintaining, operating and repairing those facilities. As best we can tell through looking at numerous accounts, the revenue today and this is a 2005 number, is approximately \$4 million in fines, meters and parking structures. \$4 million. You have a fines collection of about \$1.1 million. Total parking system revenue if we could again throw our arms around it is \$5.2 million. Your expenses today generate a total of \$2.4 million. That includes the remaining debt service in the lease payments at the Wall Street Garage and some of the other spaces. That is a net differential of about \$2.8 million. That is a red flag to us immediately and it is a red flag because that expense number doesn't make sense. You can't operate 6,882 spaces comprised of roughly half and half structured surface parking at \$250/space. It doesn't make space. It is not enough money. You are not investing enough money into the parking system to sustain it over time. What you see up here on the screen on the left side is the actual 2005 expenses. Red doesn't show up very well but it says cost per space \$250 on an average throughout the system. You will see on the right side there it is the same expenses only we have elaborated on or included costs that are normally accounted for in the way you manage and operate a parking system. So the enforcement number...for instance instead of \$145,000 that you have today we are looking at \$300,000. I think this is important because it has come up a number of times but that includes four or five additional full-time parking checkers. We haven't increased the revenue. What we are saying is that those parking checkers need to be out there managing the system better than it is managed today, not necessarily writing more tickets. The personnel increase is also a number that I couldn't find in any other records but it is collections on fines and revenues. Garage numbers don't change much except for the two lines at the bottom there – a depreciation expense, which essentially is a repair and reserve fund for your current structured parking and this is pre the sale of the Center of NH garage so keep that in mind. Let's focus on the Victory Garage. Year after year...that garage may have a 30 year life but at some point in time that 30 years is going to be over with and that garage is going to fall to the ground and you are going to wonder how you are going to replace those 1,000 spaces and where the money will come from. Typically what parking systems do is set aside a dollar amount every year so that at the end of that 30 year term you can account for and have a fund set up to refinance either expansion of or continued maintenance to keep that facility in place. Deferred maintenance

is at least \$180,000/year if you bond that. That number may represent \$2 million or more over the next 20 years. The other items there that I think you are sorely in need of and we recommend highly and it is covered in the report is you need some kind of...we call it customer service and clean and safe. That is running the Victory Garage much differently – relamping, lighting it, it is operating the elevator and operating the stairwells and providing a secure facility that people will park in and that my daughter can park in and I will feel okay. The repair and reserve fund should be maintained to perhaps keep the sidewalks clean of snow so that people can actually pay at the meters, which in many cases you can't today. Customer service. Is there a downtown map that shows public and private parking facilities? Where do I park and how much does it cost? Is there a website? Those are the kind of costs that are typically included. The cost per space you see at the bottom and that is about \$465. Somewhere between \$425-\$500 per spaces is a typical number that we use in terms of budgeting for parking facilities. This slide looks simply at the first few recommendations we talked about. \$90,000 is the approximate debt service for \$1 million in technology. The \$1 million you see here is the debt service on building the Bedford Street Garage. The new garage maintenance and operating cost is \$320,000. That is to keep the Bedford Garage maintained and in operation for 50 years. There is an additional cost item there. You have a shortfall now. I showed you the revenue numbers and you have a shortfall. That includes bringing your system up to where we think it needs to be. We want to someday have a self-supporting system, that is the basis for our financial analysis. That shows a required cash flow shortage today if you went ahead with these improvements of about \$1 million. We have enough parking. We already said that. It is not particularly in the right locations but it seems to meet our needs. The analogy we used is a car. A car can be very inexpensive to drive if you don't change the oil and don't repair the brakes and don't replace the tires and so on and so forth but at some point in time that car is going to break down and cost you twice as much. Same thing with your parking. The improvements we have recommended we are really talking about implementing those in the out years of 2008-2011. That...remember that table that we spent most of the time talking about in the last session. We identified \$1/hour as the maximum rate we can recommend for on street parking for a three to five year period of time. We are looking at the 2009, 2010 or 2011 \$1/hour. We have a shortfall we identified. If we all want to pull in the same direction and improve the system and expand it and provide additional capacity we need to raise more revenue. How do we do that? We can do it through meter rates, permits and fines. We can assess the businesses. There are a number of procedures. You can develop a hybrid between the two or you can continue to pull money out of the general fund and have your entire population support the parking users in the downtown.

Mr. Luz stated a quick illustration for you on the left. One of the reasons we thought it was important for you to start looking at a director that would answer in one way or another to you on responsibility and authority...the departments on the left are the current departments within the City that one way or another touch the parking system and control the parking system. There are...nearly every department in this building somehow has a responsibility

somewhere whether it is for on-street or off-street, maintaining the meters, putting the signs up at the garages, changing the lightbulbs, making sure the arms work, collecting the money, or accounting for the money. The recommended structure we are showing on the right...the break line between you all and the actual parking director is a representation on our part that says that whether that falls within an existing department or that becomes a department level position is really up to you. What is important is that there is a line of communication from that director to you and there is a line of responsibility in one way or another so that the budget is deal with in a confined and controllable way and that you understand where those expenditures are going and we can simply and reliably understand how much money is coming in and how much money is going out. Under today's system we can barely do that. The parking director is an advocate. Someone who feels passionate and whose career is parking. Someone who knows how to run the system and knows what needs to be done and can provide you the expertise you need to provide an efficient, more organized and effective system. We believe this will reduce your costs or control your costs and increase revenue.

Mr. Floates stated one of the things that became obvious as we did this study and we began to get some comments from the public was the fact that the biggest change obviously in the downtown over the past few years has been the opening of the arena. Clearly it has increased economic activity significantly. Right now you are at about 130 events a year and it seems to be growing. There was no parking built with it but the conclusion we came to was that there seems to be sufficient public and private parking within a reasonable walking distance to serve the demands of the arena. The difficulty currently if there is any is that having on-street parking free later at night tends to skew the demand away from organized parking lots and onto multiple street locations where it can often conflict with existing demand. Very simply there are a couple of potential solutions for that. One would be to build parking for the arena, which I think none of us here probably think is reasonable. The second is to try to manage that supply and demand, particularly in the area along Elm Street

Mr. Luz stated the question is how do we manage that supply and demand. Let's focus on Elm Street. We really want to tailor the on street parking towards the downtown businesses. We want to steer the arena event parkers to the appropriate facilities – off-street for the most part is able to provide that parking. Then off of the main corridors on side streets keeping in mind as we move through this and again this is the parking director's responsibility to understand it to be able to dynamically address a solution you need to maximize the capture that the arena receives in the downtown area. You have a couple of alternatives in terms of how to address this. Keep the status quo, which is free parking after 8 PM and if it is truly not a problem and we have heard a lot of that today then you have that. Another solution is control by time limit. We heard that is insufficient for turnover at restaurants and clubs and entertainment facilities. Three-hour time limits don't help you. So our solution and there are really two pieces of it, the first is to regulate the parking through technology. If you notice in the report we are not saying charge more for parking on the street or charge until 10 PM. What we are saying is regulate and manage the parking until 10 PM. You can do that

through technology. You also need to engage the downtown businesses to accomplish this and we can talk more about then during the question period. The other alternative that we added today because it has been a proven solution in some other cities and most recently for me the city of Madison who built a 17,000 seat arena and co-oped the private sector through a permitting process to provide the off-street parking to support the arena. There was a financial arrangement and a permit required and it has been very successful. Just an example and what I am trying to show here is an illustration of where we have heard the arena parking really starts to clog the ability for attendees to go to restaurants when there is an event at the Verizon. Anecdotally we are hearing that people don't go to the restaurants on event nights. They stay away because parking is just too difficult. Green indicates where we feel we need to regulate it and regulate it with technology and that is something you can move ahead with rather quickly. Another recommendation we made is the Bedford Street garage. We are talking about a five level modern 800-space garage. The idea behind that is to move much of the on-street parking you now find on Commercial Street into that facility doing two things – one providing an opportunity to create an amenity on Commercial Street so that it becomes more of a front door to the City rather than a linear parking lot but it also creates the capacity to expand and increase the employment density in the Millyard. There are multiple things. The University of NH is talking about expanding their facility. This would create some capacity for them to do that. Move some of the heavy parking out of the Myrna Lot that is really destined to facilities in the Millyard closer to this site. That helps some of the other users who are now in the Myrna Lot. It is 800-1,000 spaces depending on what fits on the site exactly. \$12-\$15 million and somewhere over \$1 million in annual debt service. There is the maintenance fund that you should set aside that you need to consider also. This is the last slide of our presentation and we will try to make it quick. It is to clarify the Peer City Review. The Peer City Review is not...it can't give us a snapshot into how these cities manage, operate and control their parking. What it gives you is a snapshot of what other cities that you consider peer cities which came from staff, how do they organize their parking systems, how do they run the financial side of it, does the parking system tier revenue into the general fund. The questions are typically yes they tier excess revenue returns back to the general fund. Most of those systems are Enterprise funds, which means they are self-supporting. It is Portland and Manchester that aren't. Most of them have either a department or a high level, which is an Authority like your Airport Authority, handling the parking. There are three run by authorities. These are public spaces. We have no idea how many private spaces and how that relates to building square footage in any of these cities. You can see here that we really don't...we have pieces of running a parking system. The other identifier or benchmark that we like to look at is what is the highest hourly and this is really on-street rate and you can see it is anywhere from \$1 to \$2. You are the only ones at \$.50. That is our quick snapshot. Those are the issues we heard the most about since the last time we were here. We would be happy to address anything in the report.

Mayor Baines stated the thing I would like to remind the Board is this is really a matter to be referred over to the next Board of Mayor and Aldermen so I don't know how much time you want to spend on this tonight.

Alderman Lopez stated I believe that Alderman Shea made the right motion to dissect this report and it should go through some scrutiny. I know there are about 20 questions I have no it and I don't want to debate it tonight because my 20 will lead into other things. I think it is the right motion to send it to Committee. I just want to make sure that this is your last day here correct?

Mr. Luz answered yes.

Alderman O'Neil stated I have one question for Alderman Shea. One of the key departments that is referenced in here quite a bit and I didn't hear Alderman Shea to have a seat at the table was the Police Department for the enforcement aspect.

Alderman Shea responded yes the more he spoke the more I felt the Police should be involved. I did not include them but I would.

Alderman O'Neil asked is there going to be a timeline...we have a history over the years of these reports sitting forever and things not moving. I would like to see some timeline where these reports have to report back to the Board.

Alderman Shea answered I mentioned February but actually I think it is probably a little premature but this should be ready prior to the Mayor's budget which is the end of March. I would assume that they would have a report back by mid-March to assist the Mayor in whatever budget he is going to present.

Mayor Baines asked so you want to include as part of your motion the Police Department as well.

Alderman Shea answered yes.

Alderman O'Neil stated I would like to suggest that if the Committee is ready before that don't wait until mid-March to come back. Can I make one comment before we vote on the motion? I have been around a long time and read a lot of reports and most that we seem to get we put on a shelf and do absolutely nothing with. I want to commend Chris and Peter. This is a pretty interesting report. It has laid out a lot of discussions that we had over the years. I think it gives us a good framework to work with moving forward and I hope this report does not sit on the shelf. I want to thank them because I think they did a pretty good job on this.

Alderman Roy stated because it is my last opportunity to ask the two of you this question, you mentioned the Bedford Street Lot and that is your recommendation for where we put the taxpayers money. Is there anything that would prohibit the City from working with the private sector to go ahead and have that a privately owned garage?

Mr. Luz responded I think there is on this site because the site is so constrained. We do recommend that where you have the opportunity you engage the private sector to help you assemble the property and build a garage that the City may need for a certain use but also supports the foundation for them to move their project ahead.

Mr. Floates stated let me add one thing to that. The key to the recommendation is you need X number of spaces that are available under your control. If that turns out to have something on top of it or if that turns out to be paid for in a way that is different...I think we made plenty of references to the fact that you ought to be open to some things and that you probably have some leases in place currently or recently that demonstrate what to stay away from. I don't know that we specifically recommended taxpayer dollars. We, in fact, specifically recommend that you organize your system and start collecting your revenue and spending it in a way as an Enterprise fund more than likely so that you can support revenue bonds down the road.

Alderman Gatsas asked did anybody tell you that there was a 600 car parking garage that should be been completed and built with federal dollars. Is that reflected anywhere in your report?

Mr. Luz answered it was our understanding in two visits ago...I have been here nine times but in one of my previous visits the earmark...I think it was a congestion mitigation air quality earmark to develop a garage that at some point that would serve as the basis for a transit station if commuter rail were pushed.

Alderman Gatsas stated it was supposed to have been completed and built by now.

Mr. Luz responded it is our understanding that that earmark went away. We looked at that and we looked at sites. We did some layouts and said this is an opportunity in the gaslight district...that was a perfect opportunity. We had some great sites and could engage the private sector and meet a whole bunch of needs and built a commuter rail to Manchester but it is our understanding that the City lost that opportunity.

Mayor Baines stated that is not true. We haven't lost the opportunity

Alderman Gatsas asked did anybody tell you that the opportunity was still available.

Mr. Luz answered that is news to us.

Alderman Gatsas asked who did you ask that question of.

Mr. Luz answered our recommendation south of Granite Street is that the City work with the private sector. You have \$3 million I think is the grant number right...

Alderman Gatsas interjected no. This was supposed to be totally built, 600 spaces, with federal dollars. Who told you that that wasn't available to the City?

Mr. Luz responded I would have to go back and check.

Alderman Gatsas asked if that was still available.

Mr. Luz answered that would be the number one priority today.

Alderman Gatsas asked so nobody told you it was available so you didn't put it in your report.

Mr. Luz stated it was our understanding that that wasn't an option we could go to. That is where we spent most of our time.

Mr. MacKenzie stated we do understand that it is still in the Governor's 10-year plan. It has been pushed back two years but it is still identified as 600 parking spaces at about a \$10 million estimate.

Mr. Luz stated that is perfect.

Alderman Gatsas stated it would have been perfect if somebody...

Mr. Luz interjected I couldn't include it if I didn't know about it.

Alderman Gatsas responded it is not your fault obviously.

Mr. Luz stated I think that is a number one priority today to move on right now.

Alderman Gatsas stated that is sometimes what happens around here. We don't give people all of the information.

Mayor Baines commented well they have been in town a lot having a lot of dialogue with a lot of different people including Aldermen.

Alderman Gatsas responded not this Alderman or I would have told them.

Mayor Baines stated well I think Aldermen were invited.

Mayor Baines asked Alderman Sysyn if she would like to say a few words.

Alderman Sysyn stated I hope I made a difference in the lives of the people in the City of Manchester.

Alderman Porter stated I would like to say that many times I thought it was an honor and a privilege to be able to serve as one of 14 people leading the City to its future and I want to thank all of the people in Ward 6 and I certainly want to wish Real Pinard the best of luck because I think you have a very busy year and a lot of important issues coming up and I think everything will be fine. I just want to express that whatever accomplishments we have, I considered it a very significant honor to have been able to represent a constituency in this City. I am sure all of you feel the same way but I just wanted to express that this evening. Thank you.

Alderman Lopez stated we didn't vote on the motion.

Mayor Baines asked what is the motion on the floor.

Clerk Thibault stated it is to refer the Downtown Parking Study to a staff Committee as outlined by Alderman Shea.

Mayor Baines called for a vote. There being none opposed, the motion carried.

Mayor Baines stated I would like to thank you very much for the honor and privilege of serving with you. I have enjoyed it immensely and we have made some great decisions on behalf of the citizens of our community. We are leaving Manchester better than we found it and that is the job of any Mayor. To come into a situation, improve on it, build upon the successes, respect the past but always look to the future. It was an honor and privilege to serve with you and I offer two things to Mayor-Elect Guinta. I offer my prayers and a promise. The prayer will be for his success because if he is successful our City is successful. The promise that I make is that I will continue to contribute to make our community better in another place at another time perhaps but I will continue to be an advocate for the issues that are important to me. You have not seen the last of me. I do not plan to do anywhere and you can expect me here occasionally standing up for the issues that I fought for not only for my six years as Mayor but for my entire life in this community which is and I am very proud to say, my hometown. God Bless You and may God give you abundant blessings as you move forward in service to our community.



This being a special meeting of the Board, no further business was presented and on motion of Alderman Smith, duly seconded by Alderman Guinta it was voted to adjourn.

A True Record. Attest.

City Clerk